

BOARD OF DIRECTORS – ACTION SUMMARY
Wednesday, September 14, 2005 – 6:00 p.m.

Administration Building
2101 Hurley Way, Sacramento, CA

CALL TO ORDER

The meeting was called to order by President Granados. Board Members present: Duveneck, Engellenner, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley. Staff: Deputy Chief Latta, General Counsel Price, Board Clerk Tilson.

PLEDGE TO FLAG led by the Girl Scouts of Tierra Del Oro, Troops 277, 319, 495 and 879.

METRO CABLE 14 ANNOUNCEMENT

The Meeting is videotaped for cablecast on Metro Cable 14. Replay on Sunday, September 18 at midnight and Monday, September 19 at 7:00 p.m. on Channel 14; Webcast at www.sacmetro cable.tv. A VHS copy is also available for checkout from any library branch.

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA

Karen Klinger informed the Board of a revitalization project on Hurley Way from Watt Avenue to Cal Expo and wanted to make sure this does not affect Metro Fire or the people who own private property on Hurley Way.

CONSENT AGENDA:

1. Board Meeting Action Summary—August 24, 2005

Director Duveneck distributed to the Board an e-mail he received from CSDA relative to their Board election timelines. CSDA sent a notice on May 27 of the nomination for election but he never received any notification and was unaware of the election timelines and qualifications. He thanked the Board members who supported an addition to the last Agenda in his absence.

Director Jones questioned where the notification flyer went and President Granados stated he would look into it.

- **Board Action:**
Kelly/Jones—approve the Consent Agenda. Directors Engellenner, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley, AYE. Director Duveneck, abstaining. Motion carried.

ACTION ITEM(S)

1. SMUD Annexation of Territory Within Yolo County—LAFCo (05-05)—(Appel)

- Staff recommended three issues be addressed before the annexation is permitted.
 - Must be a guarantee that all costs associated with the proposed annexation, including “a mechanism to defray the reasonably calculated costs to the Cities of West Sacramento, Davis and Woodland,” are paid by the new customers in the annexed area and not SMUD’s existing ratepayers, including Metro Fire.
 - Given the proposed increase in the geographical service delivery area, SMUD must assure it will increase its emergency repair service capabilities to a level proportionate with its existing capabilities based on miles of transmission lines and/or poles within its current boundaries.
 - SMUD must assure it has added sufficient capacity to minimize, if not totally eliminate, future service demand outages before it annexes any new territory.
- Recommend staff be directed to prepare a written response to LAFCo identifying the District’s three areas of concern related to SMUD’s annexation proposal with a response to each included for the Commission’s evaluation in deciding the merits of the application.
- **Board Action:**
Duveneck/Goold—approve the staff recommendation. Directors Engellenner, Duveneck, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley, AYE. Motion carried.

2. Fiscal Year 2005/2006 Final Budget—(Houghton)**A. Resolution No. 30-05—Adopt FY 2005/2006 Final Budget**

- The Final Budget was approved by the Finance Committee and referred to the full Board.
- General Operating Revenues – 95% derived primarily from property tax and ambulance fees.
- The budgeted Annual Revenue of \$131,759,930 exceeds the budgeted General Operating Expenditures of \$130,160,172 by \$1,599,758. This final budget, however, requires the utilization of the entire \$3,019,394 Fund Balance as well as \$8,204,263 in Capital Improvement Reserves to balance with the anticipated total Expenditure of \$142,983,587. With the demands for Capital Improvements anticipated in the future, it is expected this funding trend will continue into Fiscal Year 2006/2007.
- Discussion included options for funding other liabilities such as OPEB bonds, revenue bonds for future fire station construction and staffing, presentation of the Economic Development and Planning Program with a business plan for the future.
- Captain Monahan of Local 522, voiced concern on the station rebuilding cost increase. Suggested pulling back on station replacements and build what the impact fees will cover instead of financing long-term bonds.
- Property tax revenues – projected to increase at a rate of 10%.
- General Operating Expense, Account 2051 – Excess Workers' Compensation Insurance cost of \$300,000 not needed but inadvertently left in the budget.
- Undesignated Reserves balance of \$15,601,454 to be moved as follows:
 - Workers Comp Mandate Reserves - \$ 1,000,000
 - Deferred Comp Reserves - \$ 13,223
 - Capital Improvement Reserves - \$ 8,088,231
 - Contingency Reserves (5% of Budget) - \$ 6,500,000

Total of All Reserves/Designated Balances -- \$25,619,702.

Transfer of funds from any Reserve Account requires a Board action.

- Director Trujillo expressed concern on the two additional Fire Investigator positions not reflected in the Budget Staffing document.

This issue was considered by the Ad Hoc Committee and at a Board meeting.

Director Jones stated the Finance Committee discussed this and was 100% behind increasing the staffing numbers for the investigative unit.

Deputy Chief Appel stated the \$300,000 in funds inadvertently left in the Workers' Compensation Fund could be moved into Wages and Benefits during the mid-year budget review to cover the two positions.

Issue to be researched for previous action and placed on the next Board Agenda as an Action Item.

- In response to Director Lawson, Project Manager Horel stated the Board supported schematic plans for Station 111 in Rio Linda, Station 42 on Watt and Myrtle Avenue in North Highlands, and Station 29 on Greenback Lane in Orangevale; Station 68 in the Anatolia area is currently being worked on and will be on the next agenda; bid award for the four stations will be in the next fiscal year budget pending Board approval to move ahead.
- Resolution No. 30-05 adopting the 2005/2006 Final Budget in the amount of \$142,983,587 was considered.

- **Board Action:**
Jones/Goold—adopt the Resolution. Directors Engellenner, Duveneck, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley, AYE. Motion carried.

B. Resolution No. 31-05—Establish 2005/2006 Fund 212A Reserve Accounts (General Operating Fund)

- **Board Action:**
Goold/Duveneck—adopt the Resolution. Directors Engellenner, Duveneck, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley, AYE. Motion carried.

C. Resolution No. 32-05—Establish 2005/2006 Fund 212D Reserve Accounts (Capital Fire Facilities Fee Reserve/Impact Fees)

- **Board Action:**

Goold/Jones—adopt the Resolution. Directors Engellenner, Duveneck, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley, AYE. Motion carried.

D. Resolution No. 33-05—Establish 2005/2006 Fund 212E Reserve Accounts (Pension Bond Obligation Fund)

- **Board Action:**

Goold/Jones—adopt the Resolution. Directors Engellenner, Duveneck, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley, AYE. Motion carried.

E. Resolution No. 34-05—2005/2006 Appropriations Limit Schedule

Establishes the Fiscal Year 2005/2006 Appropriations Limit of \$207,362,694.

- **Board Action:**

Trujillo/Kelly—adopt the Resolution. Directors Engellenner, Duveneck, Goold, Granados, Jones, Kelly, Lawson, Trujillo, Valley, AYE. Motion carried.

PRESENTATION ITEM (S) None.

RECESS TO CLOSED SESSION 7:45 PM

[Taken out of Order After Action Item #2]

RECONVENE TO OPEN SESSION 8:25 PM

Report by President Granados:

CLOSED SESSION GOVERNMENT CODES:

1. PERSONNEL MATTERS

Pursuant to California Government Code Section 54957

- a. General Counsel Selection Process
- b. Fire Chief Selection Process

The Board reviewed the General Counsel selection process and the applications; reviewed the Fire Chief Selection Process with direction to be given to the consultant on the process.

PRESIDENT'S REPORT—(Granados)

- Thanked everyone who participated in the Hurricane Katrina effort.
- Addressed Mr. Horel and requested a tour of the Station 32 construction and a review of the plans.
- Thanked the Station 63A crew for a great job in helping with a medical aid incident at Aerojet.

FIRE CHIEF'S REPORT—(Latta)

- Received two Aviation Program Audit bids, Flight Safety Institute and Conklin & DeDecker Associates. Conklin & DeDecker was the low bidder in the amount of \$23,500. The bid is within the Fire Chief's spending authority.

General Board consensus to allow the Fire Chief to move forward with the audit.

Director Engellenner requested a copy be faxed to the Board.

- Provided an update on the Hurricane Katrina. Most of the 25 Sacramento Metropolitan Fire District personnel deployed to the Gulf Coast have returned with the exception of eight, which includes Fire Chief Martinez now positioned in Raleigh, North Carolina, awaiting Hurricane Ophelia.

Director Kelly stated everyone in this room takes pride knowing we have people back there working in the rescue and recovery effort; requested a moment of silence be observed at the end of the meeting for the departed.

GENERAL COUNSEL'S REPORT—(Price) None.**COMMITTEE AND DELEGATE REPORTS:****Executive Committee—(Granados)**

- Next Meeting: TBD

Communications Center Delegate—(Engellenner)

- Cancelled Fire Chief Martinez' recognition award. Working with Ms. Safford on rescheduling.

California Fire & Rescue Training Authority—(Goold)

- Next meeting: September 23, 2005 – 1:00 p.m.

Finance Committee—(Jones)

- Received presentation on today's meeting.
- Next meeting: October 12, 2005 – 5:00 p.m.

Policy Committee—(Trujillo)

- Next meeting: September 28, 2005 – 5:00 p.m.

BOARD MEMBER QUESTIONS AND COMMENTS:**Board Members:**

- Expressed deep appreciation and gratitude to all the personnel for their work on the Hurricane Katrina effort.
- Thanked the Girl Scouts for the Flag presentation.

Duveneck:

- Expressed appreciation to all the District personnel down south working on the Hurricane disaster.

Goold:

- Annual recommendation on the staffing matrix with EMS currently staffed with five individuals.
- Supported formation of the Business Services Division.

Jones:

- Hurricane Katrina is a display of the best aspects of the fire service response. The firefighters from Metro and throughout the region were ready and responded even under the trying circumstances of the largest magnitude of a catastrophic event. We are completing the mission successfully. Kudos to everyone involved.

Kelly:

- The Building Trades worked in conjunction with Habitat for Humanity and built a house for a family at Eighth Avenue and Martin Luther King Junior Boulevard. Captain Pat Monahan and Local 522 barbequed lunch for the volunteers at Sacramento City Station No. 6. Thanked everyone for their help.

Trujillo:

- Requested Chief Latta look into publicly acknowledging our personnel at a regular Board meeting when they return from the disaster effort.

Lawson:

- Acknowledged the Metro Fire personnel who went to New Orleans.

A collaborative of 21 plus non-profit and government agencies opened a "one-stop" Hurricane Katrina Resource Center on September 13 at 8912 Volunteer Lane, Suite 210, Sacramento. About 450 self-evacuees have arrived in Sacramento in need of housing, food, clothing, medical assistance, identifications cards and mental health services. For more information, call his office at 368-3000.

Granados:

- Provided a brief eulogy for the former Fire Chief of Isleton Fire, George Apple, who passed away today.

ADJOURNMENT – Moment of silence observed in memory of Fire Chief Apple and those who lost their lives in Hurricane Katrina.

Meeting adjourned at 8:40 p.m.

Gregory A. Granados, President

Matt Kelly, Secretary

Charlotte Tilson, Clerk of the Board